

# Factsheet:

## Access to Base Registries in Hungary



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### Hungary towards Interoperability

Hungary has made decisive steps towards fostering interoperability and improving their e-Government systems. Nevertheless, the use of e-services by its citizens is still below the EU average<sup>1</sup>. In order to improve citizens' life quality, the competitiveness of businesses and the efficiency of the state a better understanding of public processes is needed in order to improve the networks, tools, services and competences of the public administrations.

The Hungarian Government has the long term goal of unifying the state administrations. The construction of a **one-stop-shop** system<sup>2</sup> already enabled citizens to apply for a national insurance card, arrange tax affairs and request copies of the Land Registry entries, to name a few.

Furthermore, the obligation to **register companies online** was announced in 2008 with the aim of reducing the amount of paper forms. This obligation was preceded by the adoption of a Decree on intelligent e-Forms and a new Act on the e-Acknowledgement form. In addition, company registration was eased through the implementation of a simplified procedure that reduced the time needed for this process to a single hour. Later that year in December, this e-Government measure on the electronic registration of companies, obligatory since 1 July, became a reality. The same month, several hundred types of forms were used in the Hungarian Public Administration within the framework of e-Government services for the management of civic affairs. According to a government decision, the forms were expected to use a standardised electronic format by March 2009. The standardisation of the forms would take place using a specific software system. The submission system would be based on the updated version of the solution which was being applied in electronic tax returns.

A central Application Service Provider (ASP) pilot, the Municipality ASP, was launched in 55 smaller municipalities of the Central Hungary Region in 2015. The goal of the project was allowing the municipalities to use modern, integrated and cost-effective IT applications and services. Furthermore, the ASP was implemented to help improving the productivity and the interoperability within the local administrational level, as well as across the different levels of public administration.

Based on the Application Service Provider's central hardware and software infrastructure, the municipalities are able to use the following services within an integrated framework: financial management system, property cadastre, municipal taxation system, document management system, industrial and commercial management system, municipality web portal and e-administration web portal.

Through the Municipality ASP's e-administration web portal, citizens and businesses can use a single platform with online forms for administration on the local government level when they have a Client Gate account. Furthermore, an ASP 2.0 project is under development with the goal of implementing a country-wide extension of these services within the frame of the Municipality ASP. Another 1673 local municipalities have been connected to the service with access to a partial portfolio of the e-Services (so far they have had access to the financial management system and the municipal taxation system). According to the plans, the next milestones of the project are scheduled for 2018, when another approximately 1200 municipalities will be served by the Municipality ASP. According to present plans, the approximately 200 remaining municipalities will have joined by January 2019.

Hungary has a National Interoperability Framework called the **Hungarian e-Government Framework**. This framework is based on the previous **e-Government strategy Electronic Administration Operational** 

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https://joinup.ec.europa.eu/sites/default/files/ckeditor\_files/files/eGovernment\_in\_Hungary\_March\_2017\_v 3\_00.pdf

<sup>&</sup>lt;sup>2</sup> Physical points of single contact; the portal to magyarorszag.hu in electronic form



**Programme** (EAOP)<sup>3</sup>, and it is composed by a combination of different documents and an internet portal. Its main objectives are to define standards, requirements and regulations which guarantee a solid technical, semantic, monitoring, project management, IT security and application development methodology platform for the expansion and operation of electronic public administration.

Also, according to the EAOP, and in order to develop a citizen-centric and efficient service-provider state, it is necessary to ensure consistency between the relevant institutions and processes, consolidating the different databases and linking them up, considering the legislative criteria for data sharing and data access. Furthermore, transforming public services aims at improving the quality of the existing services by developing new ones, revising the access to these services and minimising the cost and time needed for their provision and use. In this context, the establishment of central services includes especially the support to the establishment of data links among public administration systems by updating the digitalisation of the current registration systems, implementing the transmission of data in registries.

Between 2007 and 2015 Hungary used European Union co-financed projects to develop the back office and front office functions of electronic public administration within the framework of the comprehensive New Széchenyi Plan. These funds were available through the Electronic Administration Operational Programme and the State Reform Operational Programme. During the actual financial period between 2014 and 2020 the funds for further developments are available mostly within the Public Administration and Public Service Development Operational Programme (PADOP)<sup>4</sup>.

One of the most important elements of the Hungarian e-Government strategy is the **National Info**communication Strategy 2014-2020<sup>5</sup>. One of the pillars of the strategy is the Digital State which establishes that the operation of the government, public administration and public services should be supported by a stable and secure IT background that allows for a high rate of electronic transformation of the internal processes within the public administration and of public administration services targeting citizens and businesses. It also promotes the full-scale digitisation and public access to information and contents in the interest area of the government. One of the objectives of the Digital State pillar is directly linked to access to base registries: *The development of electronic public administration should continue. Where it is economical, the group of online services should be complete*. It is expected that by 2018 all citizens and enterprises will have the opportunity to manage all their public administration affairs electronically. The use of these e-administrative services will remain voluntary for citizens, but compulsory for businesses. By 2020, the interoperability among major government records should be established at the level of databases and 80% of the processes of central public administration agencies should be paper-free.

Public Administration and Public Service Development Operational Programme (PADOP) will invest over 935 million euros, including nearly €795 million from EU funding (75.7 % from the European Social Fund and 24.3 % from the Cohesion Fund), to reinforce the services provided by the public authorities. It shall help Hungary to increase the efficiency of its public administration via development of the quality public services that are essential to attain sustainable growth in line with the Europe 2020 Strategy.

The PADOP's actions are in line with the Public Administration and Public Services Development Strategy 2014-2020 and the National Infocommunications Strategy 2014-2020 of Hungary. In both of the strategies the "Digital State" concept appears as one of the key areas that needs to be developed. Both of these strategies emphasize the primary importance of interoperability. Therefore the development of interoperability on the legal, organisational, semantic and technical level is an important objective within the projects financed by the PADOP. PADOP basically builds on the use and the interoperability of base registries.

<sup>&</sup>lt;sup>3</sup> <u>http://www.terport.hu/webfm\_send/205</u>

<sup>&</sup>lt;sup>4</sup> http://ec.europa.eu/regional\_policy/en/atlas/programmes/2014-2020/hungary/2014hu05m3op001

<sup>&</sup>lt;sup>5</sup> http://www.kormany.hu/download/5/ff/70000/NIS\_EN\_clear.pdf



During the design and implementation of e-government and interoperability solutions Hungary took into account the former European Interoperability Framework, and will take into account the new EIF recently released as well.

One of the key pillars of the Hungarian implementation of the "Once-Only" Principle (OOP) is the Registry of Assignments which provide a connection between primary and secondary registries based on encrypted connection codes. The Registry of Assignments facilitates the data exchange for the connected registries, and specialised back-office systems fulfil the strong data-protection requirements.

In practice, when a customer needs to be identified in an administrative procedure, with a certain identifier depending on the procedure (e.g. personal tax ID, national health insurance ID, personal ID number), the identification can be done with any of the above mentioned identifiers in any of the related procedures. The given back-office system will be able to identify the customer even when it does not use the standard identifier used by that given back-office system.

In March 2017, Hungary implemented a new online platform for personal income tax declaration. Complying with the OOP, the system uses intelligent online forms where information is prefilled based on official data provided by the employers. The goal is that citizens only have to validate the pre-filled form online, based on information they have submitted in the past.



### Legal Interoperability

Regarding the **legal perspective**, the first reform of the **Public Administration Act** was integrated into the legislation Act No. LX of 2009 on Electronic Public Services and Act No. LII of 2009 on the Electronic Delivery of Official Documents and the Electronic Acknowledgement of Receipt.

In 2012, a second legal framework for e-Government services was set through the amendment of the Act No. CXL of 2004 on the **General Rules of Administrative Proceedings and Services**<sup>6</sup>. Within this general legal provision, base registries are referenced, for example, within the definition of a costumer: A *customer is any natural or legal person or organisations who have been placed under official control and for whom data is contained in the official records.* Or for instance within the chapter Statutory certificate, identification and records, where is stated that *any fact, data or document issued as a proof for eligibility or status, and the conforming registration shall be considered by the corresponding Authority*.

As part of the implementation of strategic interoperability objectives of the European Union, the Hungarian Parliament adopted a law on interoperability, Act No. CCXX of 2013, on the general rules of co-operation between registries of the national and local governments. The intention of this law was to establish and increase cooperation between registries of national and local governments. The expected benefits were to increase the competitiveness of the state, to increase the cost-efficiency of public administrations operations and to promote the cross-sector and cross-border cooperation. In 2015, the Act No. CCXX of 2013 was repealed and replaced by Act No. CCXXII of 2015 on the General Rules for Electronic Administration and Trust Services (hereinafter the Electronic Administration Act). The third part of the Electronic Administration Act regulates the interoperability and cooperation in the field of information technology between bodies providing electronic administrative services. The new legislation will be applicable from 1 January 2018 and it makes Act No. CCXX of 2013, the law on interoperability, obsolete. Hence, the former law on interoperability was repealed on 1 January 2017 by the new Electronic Administration Act. The new law includes a wider scope of interoperability legislation (the 3rd part of the E-Administration Act) that entered into force on 1 January 2017. Some of the rules set in the law must be applied from 1 January 2017, while others from 1 January 2018. Chapter XII of the E-Administration Act regulates the automatic transfer of information between cooperating authorities which is effective since 1 January 2017. Hungary also expects to prepare an implementing decree for interoperability in the first term of 2017.

In order to extend the regulation to all organisations concerned by the Electronic Administration Act, an implementing decree, the Government decree 451/2016. (XII. 19.), on the detailed rules of electronic administration has been issued. This Government decree repealed Government decrees 83/2012. (IV. 21.) and 85/2012 (IV. 21.). The Government decree 451/2016. (XII. 19.) contains detailed rules on electronic administration and electronic communications; regulated electronic administrations services (REASs) and central electronic administration services (CEASs); and rules concerning the creation of electronic copies of paper-based documents.

The reform regarding the revision of central offices and the strengthening of district offices affects the REAS and CEAS providers as well, so the Government decree 84/2012. (IV. 21.) on the assignment of certain organisations related to electronic administration has been modified, designating the new providers which succeed the dissolved organisations.

Furthermore, the law overrules the Decree of the Ministry of Informatics and Telecommunication 13/2005. (X. 27.) on the rules of electronic copy making of paper-based documents. In the course of the definition of the new rules the application of electronic stamps becomes obligatory instead of organisational signature, in regard to the provisions of the regulation No 910/2014 of the European Parliament and of the Council of

<sup>&</sup>lt;sup>6</sup> <u>http://net.jogtar.hu/jr/gen/hjegy\_doc.cgi?docid=A0400140.TV</u>



23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC.

The regulation entered into force on 1 January 2017, but its provisions are to be applied only from 1 January 2018. Any organisation which took upon itself the application of the Electronic Administration Act shall be obliged to apply the regulation as well. Until new REASs and CEASs are developed the old REAS regulation is to be applied with the stipulation that the introduction of new REASs and CEASs are to be announced in the Official Gazette.

The Third Part of the Electronic Administration Act regulates the cooperation in the field of information technology between bodies providing electronic administrative services, thus it is the new regulation of interoperability as well.

The new Electronic Administration Act does not only aim at achieving interoperability and cooperation between state registries, but strongly encourages the bodies to obtain information, decisions and statements from the other cooperating bodies if these information, decisions or statements are made or already obtained by these cooperating bodies by electronic means. The cooperation includes government bodies, local authorities, other legal entities vested with administrative competence, court, public notaries, court bailiffs, public prosecutors, most of the public utility companies, public service providers and public sector companies. The legislation also allows the entities of private sector to join this cooperation by considering themselves to be bound by the regulations of the Act.

On the basis of the Electronic Administration Act from 2018 the cooperating bodies:

- shall maintain communication by way of electronic means, unless this is precluded by an act;
- are not permitted to render neither form of cooperation to the payment of any cost, fee or other form
  of consideration, apart from any compensation for justified expenses as prescribed by the relevant
  legislation;
- in the field of IT cooperation shall, first and foremost, apply solutions to support the cooperation process on the whole;
- shall obtain needed information (data or document) from another cooperating body (if already available), rather than asking the customer to resubmit it;
- shall obtain the information from the abovementioned source by way of disclosure by automated process where it is possible or by way of simple information exchange;
- shall adopt and publish any information exchange policy which specifies all types of information that are available at the cooperating body;
- can sign special information exchange contracts with other cooperating bodies in which they can differ from the information exchange policies;
- shall send their request by way of electronic means to another cooperating body to make the statement, if they have knowledge that a statement from that cooperating body is required for a case before them or for carrying out their duties.

The specific legal provisions for base registries are, however, the ones that detail the purpose of the authentic sources, when and how they have to be accessed, the responsibilities of the Authority in charge of them, exceptions, restrictions, etc. Two examples of these in Hungary are:

 For the Civil Registry, Act No. LXVI of 1992 on Citizens' Personal Data and Address of Registration<sup>7</sup> defines the content, concept and functions of the registry. It also regulates the organisation of records, competence and jurisdiction rules, the data records, reporting from the

<sup>&</sup>lt;sup>7</sup> http://net.jogtar.hu/jr/gen/hjegy\_doc.cgi?docid=99200066.TV

registry, the registration process, data security and other provisions. The specific part for Data Sources is also worth mentioning where it is clearly defined in which cases the Civil Registry collects data from the different sources.

In the case of the Business Registry, the primary piece of legislation in Hungary is the Act No. V of 2006 on Public Company Information, Company Registration and Winding-up Proceedings<sup>8</sup>. The purpose of this Act is to lay down an appropriate legal framework to facilitate the foundation and registration of companies and for providing full public access, directly or by way of electronic means, to information from registries of official company records. The Act also contains related definitions such as company or corporate name, though not exclusively. Other important aspects covered in this Act are the access to company documents submitted on paper or by electronic means, access to company documents converted into electronic format or the specific contents of the Business Registry and the registration proceedings.

Even though the interconnection between base registries has been recognised as a clear objective among the last e-Government strategies, Hungary is only partially applying the **"Once-Only" principle**. Previously, the biggest implementation barrier for the "Once-Only" principle was privacy and data sharing constraints. However, Act No. CXL of 2004, amended in 2013, now states that a client allows access to all necessary data across various base registries if he/she asks for any official activity – helping to resolve previous OOP barriers. Nevertheless, Hungary states that implementation costs and the lack of IT infrastructure are current barriers for OOP implementation<sup>9</sup>. Consequently, the e-Government strategy EAOP<sup>10</sup> mentions that Hungary aims at renewing the IT infrastructure in the framework of the reorganisation of the internal processes and institutions in the administration. The prior is one of the priority axis of the strategy regarding the renewal of the internal procedures and the services of public administration achieving that no data is repeatedly demanded from the citizen when the information is available in a registry or any another authority and the citizen has given his authorisation for the use of the data registered at other authorities.

Regarding the re-use of Public Sector Information (PSI), and in order to comply with the **PSI Directive**, the Act No. XCVI of 2015 was adopted by the Parliament amending Act No. CXII of 2011 on Informational Self-Determination and Freedom of Information and Act No. LXIII of 2012 on the Re-Use of Public Sector Information. In 2016, a White Paper on National Data Policy<sup>11</sup> further addressed the importance of re-using PSI as a part of the Digital Welfare Program and the Digital Start-up Strategy, ushering a comprehensive assessment of public sector data assets, creation of a public sector data cadastre and proposal on possible ways of public sector data re-use.

A series of sections have been added to the Acts, such as: data concerning activity and operation, information that may not be made available for re-use as public sector information, definitions (e.g. formal open standard, re-use, etc.), fee for making the public sector information available, special rules on making public sector cultural information available for re-use, etc.

In line with the previous paragraph, but with a slight nuance, a Hungarian **open data portal**<sup>12</sup> is providing a free and open data catalogue with more than 50 datasets. Originally, this portal was created by volunteers and non-governmental organisations with the aim to create the first Hungarian open data portal. The information on the site is collected from Hungarian public administration bodies, scientific and cultural institutions, open data sets produced by the company or information provided by citizens.

<sup>12</sup> <u>http://opendata.hu/</u>

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<sup>&</sup>lt;sup>8</sup> https://hirkozpont.magyarorszag.hu/srv/letolt?id=943203&lang=hu

<sup>&</sup>lt;sup>9</sup> <u>http://ec.europa.eu/information\_society/newsroom/cf/dae/document.cfm?doc\_id=5155</u>

<sup>&</sup>lt;sup>10</sup> <u>http://www.terport.hu/webfm\_send/205</u>

<sup>&</sup>lt;sup>11</sup> http://nhit.hu/dokumentum/175/Adatpolitikai feher konyv 2016081 EN 20161121.pdf



It also exists an official Hungarian National Information and Communication Service providing free and open data through an open data portal<sup>13</sup>. This data portal includes data published by public authorities according to the Act No. CXII of 2011 on Informational Self-Determination and Freedom of Information ("Privacy Act"). However, this Act does not cover all the data within the context of the Open Data concept of the EU. For this latter a White paper on the National Data Policy has been adopted but this is the competence of the Ministry of National Development.

Freedom of information goes hand in hand with personal data protection issues and this is where the Hungarian **National Authority for Data Protection and Freedom of Information**<sup>14</sup> comes into action. It is responsible for supervising and defending the right to the protection of personal data and to freedom of information in Hungary covering both the state and private sector. The Authority is entitled to launch an official data protection procedure if it is presumed that illegal processing of personal data concerns a wide scope of persons and may decide to: order the correction of unauthentic personal data; order the blocking, deletion or destruction of illegally controlled personal data; prohibit the illegal control or processing of the personal data, prohibit the transfer of the personal data to other countries; etc.

<sup>&</sup>lt;sup>13</sup> <u>http://kozadat.hu/kereso/</u>

<sup>&</sup>lt;sup>14</sup> http://www.naih.hu/general-information.html



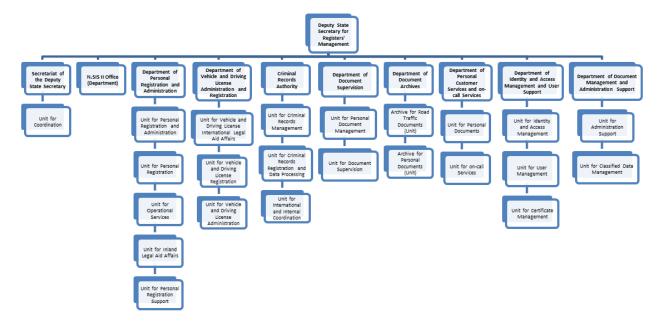
### Organisational Interoperability

From an organisational point of view, the **Deputy State Secretary for Informatics**<sup>15</sup> (Ministry of Interior) is the main actor involved in all phases of e-Government: policy development, coordination and implementation. Within the Deputy State Secretariat for Informatics the EÜF (Inspectorate of Electronic Administrative Services) has been appointed as a supervisor of e-administrative services and interoperability.

The Ministry of Interior is also in charge of continuously monitoring the e-Government policy levels of the PADOP projects and their compliance with the interoperability specifications. Since the Ministry is responsible for e-Government development, it has a strong authority to steer the projects in one direction, preventing parallel and diverging developments, thus it contributes to breaking down the existing administrative silos and prevents the formation of new ones.

Also, under control of the Ministry of Interior, the Central Office for Administrative and Electronic Public Services (KEKKH) was the one responsible for the data management and data-processing activities of most of base registries in Hungary. Examples of such base registries are the Personal Data and Address Registry, the Road Traffic Registry and the Criminal Registry. The key objectives of this office were to provide quick and reliable information, safe and accurate data management and to strengthen customer-centricity. However, pursuant to the final decision of the Hungarian government (Government Decision No. 1312/2016 (VI.13.) within the framework of the state administration system reform, the KEKKH was terminated on 31 December 2016 and has been integrated into the Ministry of the Interior as **Deputy State Secretariat for Registries' Management**<sup>16</sup>.

In terms of administration of base registries, the Deputy State Secretariat for Registries' Management is organised as follows:



From 1 of January 2017, the Ministry of Interior's Deputy State Secretary for Registries' Management is responsible for most of base registries. According to the Government Decree 38/2011. (III.22.)<sup>17</sup> the most

<sup>&</sup>lt;sup>15</sup> <u>http://www.kormany.hu/en/ministry-of-interior</u>

<sup>&</sup>lt;sup>16</sup> http://nyilvantarto.hu/hu/

<sup>&</sup>lt;sup>17</sup> https://net.jogtar.hu/jr/gen/hjegy\_doc.cgi?docid=a1100038.kor



important base registries managed by the Deputy State Secretary for Registries' Management in Hungary are as follows:

Base Registries
Personal Data and Address Registry
Electronic Civil Registry
Travel Document Registry
Offence Registry
Road Traffic Registry
Hungarian ID cards, Hungarian independent ID cards holders Registry
N.SIS (National sub-system of SIS)
Third-party Liability Insurance Registry
Private Entrepreneurs Registry
Criminal Registry



### Semantic Interoperability

In the area of e-Government, Hungarian semantic interoperability faces a recurrent issue; Due to the still non-electronic nature of many public sector services, there is a lack of common fields, standardisation and adherence to common definitions. Moreover, when services are being made electronic, usually the existing diversity on data, documents and forms are just transferred to an electronic format, resulting into non-interoperable components.

Two planned registries called 'The Registry of Information Sources' and 'The Registry of Data and Document Names' will aim to foster semantic interoperability in Hungary. According to the plans, these two registries will be maintained by the Electronic Administration Inspectorate within the Ministry of Interior. The development of both the necessary information system and legislation is ongoing as of May 2017.

The Registry of Information Sources is a registry containing the data on the information available at the cooperating authorities and the data of the automated information access interfaces of the cooperative authorities in a unified format. The aim of this registry is to ensure that the public administration bodies may know the range of data available at other public administration agencies, and the method to access these data.

The Registry of Data and Document Names is a database comprised of metadata that contains, in a unified manner, all data describing the most important information (data and documents) that are the most relevant from the perspective of interoperability. The harmonisation of the names, type, structure and meanings of information and documents contained in the different registries is justified because the legal system currently still does not provide the terminological consistency in respect of data and documents recorded in the registries, and otherwise this might create a barrier for better cooperation between the different systems.

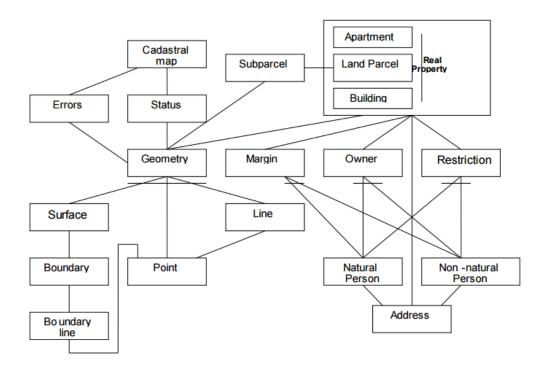
A relevant example of existing semantic interoperability is the Central Address Registry which has been developed in an EU financed project between 2012 and 2015 with the aim to introduce unified legislation and public administrative processes as well as a new, complete and single Central Address Registry. Before its implementation, the Hungarian public administration did not have a single centralised address database covering all addresses in the country. Therefore, the address management was neither uniform nor complete since there existed various address registries that operated under separate legislation. As a result of the Central Address Registry project, a unified legislative framework and a central registry has been established which enables the unified management of address changes linked to the Personal Data and Address Registry as well as the Land Registry. The data from the Central Address Registry is available directly or indirectly to public administration and will become gradually the reference data for certain registries. The sustainability of data quality is ensured by the unified address data management - reinforced by the Government Decree No. 345/2014. (XII. 23.) on the central address registry and address management. Since the launch of the Central Address Registry, the Personal Data and Address Registry and the Land Registry update themselves from the Central Address Registry via automatic data transfer. The Government Decree No. 345/2014. (XII. 23.) defines the scope of real estates that must possess an address, and also defines the process of address formation itself and the cases when a registered address can be modified or deleted from the Central Address Registry. The Government Decree No. 345/2014. (XII. 23.) also defines the public place types that can be chosen when naming a public places.

The following master data model was developed for digital cartography<sup>18</sup>. This master data model is in line with the international ISO standard LADM names (Land Administration Domain Model)<sup>19</sup>.

<sup>&</sup>lt;sup>18</sup> <u>http://www.foldhivatal.hu/images/cikkek/pcchung2010zpoa.pdf</u>

<sup>&</sup>lt;sup>19</sup> http://www.iso.org/iso/catalogue\_detail.htm?csnumber=51206







### **Technical Interoperability**

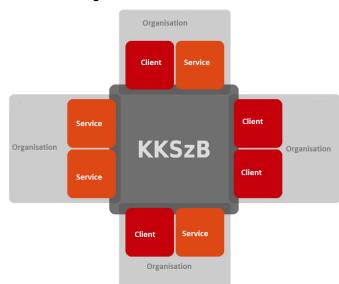
Technical interoperability covers the applications and the infrastructures linking systems and services including aspects such as interface specifications, interconnection services, data integration services, data presentation and exchange, secure communication protocols etc. While Public Administrations have specific characteristics at political, legal, organisational and information layers, interoperability at the technical layer does not exhibit specific characteristics. Therefore, technical interoperability should be ensured, whenever possible, via the use of standards and specifications.

### The Központi Kormányzati Szolgáltatás Busz (KKSzB)

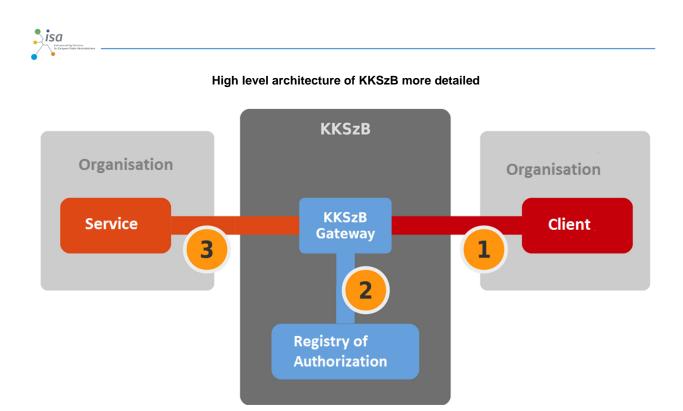
One of the key developments among the PADOP financed projects is the future development of a new technical level interoperability platform (a governmental central service bus referred as the KKSzB), that will allow the public administration's systems to use the services of other sector specific systems via one access point. When performing data communication between registries, this new platform does not perform transformation or synchronisation to the data and does not look into the messages delivered. The development of the KKSzB is already in the pipeline, and the service bus is expected to be launched in Q4 2017.

During the planning phase of the KKSzB service bus the following requirements were identified.

- Heterogeneous systems to make the integration of heterogeneous systems developed at different times possible,
- Fast integration the need to quickly and incrementally integrate "old" systems, with as little modification in the applications as possible,
- Simple integration use of widely applied standards,
- Long lasting solution use of minimal system requirements and technology standards that will presumably exist in 10 years from now as well,
- Flexibility admission of "old" message structures and handle current and future ones as well,
- Other requirements: use of free and open source software, reliability, high performance, expandability, replaceability, use of widespread technologies, applications remain in "their own place".



#### High level architecture of KKSzB



The KKSzB service bus will be a "plug-in" based system, to which any kind of services can be connected. The authentication of the Clients is based on a secure authentication token. The supported communication types are synchronous, asynchronous and file transfer. These types can be used as building blocks. The confidentiality of the system is a very important requirement. Therefore, the KKSzB does not access the contents of the messages delivered. This means that the use of KKSzB will not override the security levels of present systems.

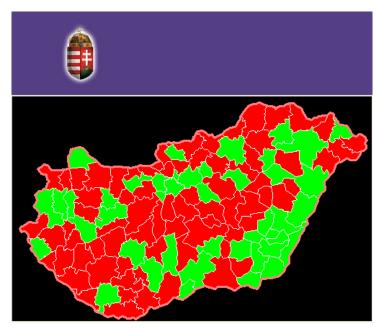


### The TAKARNET network

A relevant example in the technical interoperability context is found in the Hungarian Land office of the unified real estate registration system in Hungary, the TAKARNET<sup>20</sup> network. The TAKARNET network is an intranet-like network of the land offices. It connects all official entities involved in the land administration sector and provides online access to the continuously updated land registration data.

Furthermore, the network also provides online access for external users (registered and authorised) and has been up and running since April 2003. Depending on their registered rights, users have access to data ranging from all registered data regarding Hungary's lands and properties to a more limited subset of information.

The improvement of the online case management through TAKARNET has allowed the Hungarian land registration data supply/service to reach the third level on e-governmental service in the qualification scale defined by the EU (a service which provides interaction from both sides).



Screenshot from the TAKARNET demo:

GREEN: The Land Registry is currently available.

RED: The Land Registry is currently unavailable.

The services provided by the TAKARNET network are the request of documents, the retrieval of non-certified copies of the title deed, e-certified copies of the title deed, map copies, the change of personal information and guidance for installing the e-signature program.

Registering to the portal has to be done in person at any government office since it requires a personal customer portal ID. In case of ownership of a valid identity card electronically, the process is quicker.

<sup>&</sup>lt;sup>20</sup>http://www.foldhivatal.hu/content/view/172/163/



### The Association Register

Another relevant example of both Hungarian technical and semantic interoperability is the Association Registry. The Association Registry helps to connect associated public administration registries and professional systems via an interoperable programmed service interface, creating interoperability between full sets of data and facilitating the exchange of data based on the encrypted contact code. To protect personal data, the Association Registry does not include any personal information or other sectoral ID, the encrypted contact codes are used instead. This is due to strict Hungarian privacy rules prohibiting the use of a single identification number for individuals. Currently, the number of items contained in the Association Registry is 13.5 million, from which 8.2 million are generated as encrypted contact code based on the ID cards (ID item) and 2.8 million are generated as encrypted contact code based on passports (Passport items).



### Cross-border Interoperability

The European Criminal Records Information System<sup>21</sup> was created on the basis of the Framework Decision 2009/315/JHA of the Commission to create an efficient exchange of information on criminal convictions between EU Member States. ECRIS has a decentralised IT architecture where criminal records data is stored solely in national databases and exchanged electronically between the central authorities of EU Member States upon request. ECRIS ensures a high level of security and calculability to EU citizens.

Hungary started to exchange criminal records information via ECRIS in April 2012. Through Act No. XLVII of 2009 *on criminal records,* the **Criminal Records Authority** was appointed as the central authority in Hungary to manage the data exchange between ECRIS and the Registry of Court Sentences, which contains data on convictions against Hungarian citizens by the courts of European Union Member States, regarding the Framework Decision 2009/315/JHA:

Hungary's participation in **EUCARIS**<sup>22</sup> offers a better transparency on imported vehicles and facilitates direct consultation of foreign registries increasing the efficiency of the corresponding authorities. Furthermore, the EUCARIS participation increases the efficiency of competent authorities' criminal prosecution activity and reduces administrative burden. Through establishing a direct link with foreign data bases control expenditures can be dramatically reduced and subsequently reallocated to other IT developments planned by the Ministry of Interior.

The Hungarian part of the EUCARIS system, the Hungarian Vehicle Registry, provides vehicle registration data to other Member States' in an automated form. This way, the Hungarian authorities can both receive and provide data from their Vehicle Registry. Ever since the EUCARIS system was implemented in Hungary, significantly less crime-related vehicles have been registered in the country. Although the EUCARIS system allows querying data related to driving licences via its DLINfo functions, the absence of a national legislation in Hungary renders them unable to ensure this kind of communication at this moment. Within the EUCARIS, Hungary uses the CBE functions for cross-border exchange of information on road-safety-related traffic offences based on EU Directive 2011/82/EU<sup>23</sup>.

Hungary is also connected with other Member States' driving license registries via the RESPER functions of EUCARIS, enabling the exchange of information of the licences Member States have issued, exchanged, replaced, renewed or revoked based on the Directive 2006/126/EC of the European Parliament and of the Council of 20 December 2006 on driving licences.

Hungary is participating in the EReg, a European cooperation dealing with subjects concerning registration and documentation of vehicles and drivers. The Ministry of Interior represents Hungary in EReg, responsible for the data-managing and data-processing activities of the Road Traffic Registry, including the Vehicle and the Driving License registries.

The main objective of EReg is to bring the European Registration Authorities together to share knowledge, experience and good practices, identify, follow and influence European developments and regulations, take initiatives aimed at improving the performance of tasks by the members as European partners, establish exchange and cooperation arrangements with relevant other parties and promote effective and efficient data exchange.

<sup>&</sup>lt;sup>21</sup> <u>http://ec.europa.eu/justice/criminal/european-e-justice/ecris/index\_en.htm</u>

<sup>&</sup>lt;sup>22</sup> <u>https://www.eucaris.net/</u>

<sup>&</sup>lt;sup>23</sup> Directive 2011/82/EU of the European Parliament and of the Council of 25 October 2011 facilitating the cross-border exchange of information on road safety related traffic offences <u>http://eur-</u>

lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32011L0082&from=EN



The second generation Schengen Information System (SIS II) is a large-scale information system that supports external border control and law enforcement cooperation in Europe. SIS II enables competent authorities, such as police, border control and immigration authorities to enter and consult alerts on certain categories of wanted or missing persons and objects. Border control uses the SIS II to carry out alphanumeric searches (i.e. name and date of birth). Fingerprints can only be used to verify and confirm the identity of a person who has already been identified on the basis of his/her name.

The Hungarian national implementation of SIS II (NSIS HU) contains a full national copy of the central SIS II database which is synchronised in real time, operated in two sites (operational and backup), linked to a national search interface. The national search interface is implemented so that it searches both national law enforcement/immigration databases and the SIS II simultaneously. The Hungarian implementation has automated procedures enabling end-users to create, update and delete or query the SIS alerts directly by using the relevant registers and subsystems, e.g. warrant system, border registration and control system, SIRENE application, etc. A portal interface for end users is implemented as an additional possibility to increase the reliability of the system. Within the Hungarian Ministry of Interior, the Deputy State Secretariat for Registries' Management is responsible for the smooth operation of the Hungarian national subsystem the NSIS HU, by its managing department, the NSIS II Office.



### E-Government Public Services making use of Base Registries data

Hungary has introduced a number of e-Government means over the past decade to support the modernisation of administrative procedures and to provide citizens and businesses with public e-services.

### The Central Administration Portal

The most relevant Single Point of Contact for e-government services in Hungary is the **Central Administration Portal**<sup>24</sup>, where relevant information as well as direct access to services is available for citizens, either grouped by themes or in the form of catalogue of services as showed below.



Through the Central Administration Portal, the **Client Gate**<sup>25</sup> **function** allows users to have their own personal gate which acts as the window to the administration. The accounts can be opened personally at any e-administration front office, at any office of the National Tax and Customs Administration, or online with a qualified digital signature provided by the eID to prove one's identity. After confirming the registration via e-mail the Client Gate can be used for communication with the authorities.



There are 300 services available on the central administration portal magyarorszag.hu<sup>26</sup>, out of which 105 can be accessed through the Client Gate<sup>27</sup>. Some of the online services offered by

- <sup>26</sup> https://magyarorszag.hu/
- <sup>27</sup> https://ugyfelkapu.gov.hu

<sup>&</sup>lt;sup>24</sup> https://magyarorszag.hu/

<sup>&</sup>lt;sup>25</sup> http://ugyfelkapu.magyarorszag.hu; https://ugyfelkapu.gov.hu



the Client Gate are: services for employers and employees, personal annual tax declaration and company tax declaration, VAT declaration, company registration, statistical data provision, customs declaration, e-procurement, permissions related to environmental protection.

### eID - Key to e-administration

On 1 January 2016 a new ID card was introduced, which is suitable for visual and electronic identification, electronic signature and in addition it stores the social security and tax identification numbers as well. The new ID card also contains an electronic data carrier unit, storage element (NFC chip) where all personal and document data are displayed.

The renewed ID card with a chip provides the following functions: electronic travel document function (ePass), electronic identification function (eID), electronic signature function (eSign) and public transport function (eNEK).

The main services currently ensured by eID Customer Gate registration without personal appearance (until October 2016 more than 5,500 registrations have been performed), PIN activation, border crossing through sluice-gate access control systems, use of electronic signature, timestamp service, mobile application for law enforcement use, electronic validity control of documents.

#### OkmányApp

In 2016, several other administrative services were added to the easy-to-use, customer-friendly mobile application called OkmányApp, e.g. validity control of the documents and vehicle data query service. There are 12 types of available services provided by the mobile application and the further goal is to make the current e-administrative procedures and services on *OkmányApp* easily available.

One of these services is the Vehicle data query service (AutoCheck) which enables the immediately query of key data relating to motor vehicles on the Web Assistant Application and on the *OkmányApp*. By using this service, customers can access information on certain technical data of one or more vehicles based on the authentic vehicle registration maintained by the former KEKKH (data application). In addition, it is possible to require an examination of the accuracy of the concerned data (data reconciliation).

#### Regulated Electronic Administrative Services (REAS)

The quite broad definition of REAS briefly is as follows: the Regulated Electronic Administrative Services include all directly or indirectly, separately identifiable IT services relating to the administrative affairs (e.g. IT services necessary for internal functioning of an authority).

#### The Disposition Register

The Disposition Registry keeps records on the customers' dispositions related to their administrative affairs. The registry does not only record the dispositions, but makes them available for querying for registered organisations. The customer can enter e-mail and mail contact information, may declare the use of electronic or telephone channels, or even other means of identification to be used in the future. The registry allows for customers to provide an electronic authorisation to administer their affairs. Authorisation is currently available based on a case-catalogue consisting of 91 different cases, even for categories of cases. In addition, customers may also dispose of the range of administrative authorities and electronic administration affairs and acts they ask notifications for.

#### Introduction Partial Code Phone Identification

In addition to the above mentioned Disposition Registry, a new type of identification option has been developed in Hungary. In this case, customers can identify themselves over the phone during their

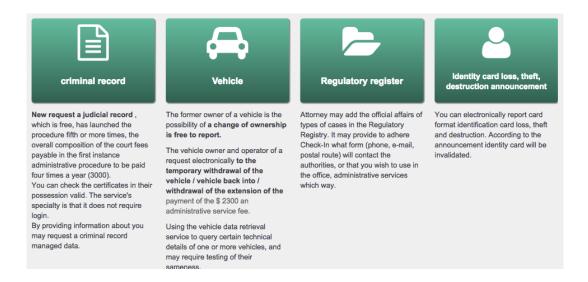
administration procedures. As a result, it is possible to administer certain affairs requiring identification over the phone (e.g. providing authorisations), which has been unprecedented in the public administration so far. Beyond the currently existing application for Official Certificate of Good Conduct over the phone, administration of other common types of cases will be ensured over the phone in the near future.

### Electronic Payment and Settlement System

The Electronic Payment and Settlement System assisted by REAS' offers three payment methods - POS (debit/credit card payments requiring personal presence), VPOS (electronic payment by card) and domestic banks (bank transfer in collaboration with the account keeping financial institution) - enables easier e-payment service for the associated organisations.

### Web Assistant Application

Currently, 40 administrative services can be arranged electronically through the Web Assistant Application. In 2016, the following administrative services were introduced: administration of disposition regarding periodical notifications, document status query, disabling/withdrawing personal and address data, sending notification of changes in data, notification of loss, theft and destruction of the e-ID card, change or replacement of physically disabled persons' parking certificates.



Some examples of base registries offering electronic services through specific portals are:

- The e-Company Registry<sup>28</sup>, which allows registering new companies or retrieving information on registered companies. Some contents are accessible free of charge whereas others are subject to a charge.
- In the case of the **Land Registry**, the interconnection platform TAKARNET24 provides eaccessibility of land registry data. It is possible to get authentic information about the registration of real state data and changes in the data patterns (*More information in Technical Interoperability*).

<sup>&</sup>lt;sup>28</sup> <u>www.e-cegjegyzek.hu</u>